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COUNTY OF RAMSEY

JUL 8 2011

By TY Deputy

DISTRICT COURT

SECOND JUDICIAL DISTRICT

Case Type: Civil

Court File No.: 62-CV-11-5203

In Re Temporary Funding of Core Functions of the Executive Branch of The State of Minnesota AFFIDAVIT OF ERIK FUNK
IN SUPPORT OF PETITION
FOR TEMPORARY FUNDING

STATE OF MINNESOTA) ss. COUNTY OF HENNEPIN)

ERIK FUNK, being first duly sworn on oath, states:

- 1. I am the owner of the Triple Rock Social Club, located at 629 Cedar Avenue South, Minneapolis, Minnesota 55454 ("Triple Rock").
- 2. Triple Rock is a licensed beverage retailer located in the "West Bank" area near the University of Minnesota. It has been in business for 13 years.
- 3. Triple Rock requires a regulatory permit or "buyer's card" from the Department of Public Safety to enable it to purchase alcoholic beverages of than 3.2% alcohol by weight. Without this card, Triple Rock cannot legally purchase new inventories of alcoholic beverages.
- 4. Triple Rock's permit expired on July 1, 2011. Triple Rock is able to fulfill all of the requirements for a renewed buyer's card, but is unable to obtain a new buyer's card because of the shutdown of the Minnesota government.
- 5. By reason of the shutdown of the Minnesota government, Triple Rock has not received a renewed buyer's card. Its existing buyer's card is expired. Wholesalers will no longer sell alcoholic beverages to Triple Rock.

- 6. From my experience in the retail industry, I can state that retailers commonly maintain no more than 1 to 2 week's inventory. Triple Rock orders new stock on a weekly basis. Beer in particular has a limited shelf life and is considered by the industry to be perishable. It cannot be stockpiled. Nor is space and money available for extensive stockpiling of inventories of alcoholic beverages.
- 7. As a consequence of its expired buyer's card, and despite efforts to stockpile prior to June 30, 2011, Triple Rock has only 1 week of inventory remaining.
- 8. Approximately 75% of Triple Rock's sales consist of licensed beverages.

 Triple Rock has a staff of 40 people. It cannot meet payroll without the ability to sell licensed beverages.
- 9. Triple Rock books live bands on a regular basis throughout the year. Such entertainment is an integral part of Triple Rock's business plan. Absent a renewal of the buyer's card, Triple Rock will need to shut down and will be forced to break its entertainment contracts. In addition to creating potential liability, this will destroy Triple Rock's reputation and good will in the entertainment community, and will irreparably harm its business.
- 10. Absent a buyer's card, staff and customers will go elsewhere to retailers who were lucky enough, by happenstance, to have had their buyer's cards renewed prior to the June 30th shutdown. Such cards are renewed annually on a rolling basis throughout the year. There are hundreds of other retailers suffering the loss of a buyer's card. And there are many other retailers who by sheer luck will be able to stay in business during the shutdown because they were able to renew their buyer's cards.

11. Triple Rock's business interruption insurance does not cover government shut-downs.

12. An after-the-fact damages award from a lawsuit against the State of Minnesota for arbitrarily denying the permits necessary for Triple Rock to remain in business will not adequately compensate Triple Rock. Customer goodwill, loyal staff, and good relations with entertainment agents and bands cannot be replaced once lost. The loss is irreparable. A damages award will not compensate me for the loss of a business built up over the past 13 years.

13. I therefore request that the State of Minnesota protect my rights by funding the clerical staff necessary to issue buyer's cards.

Further your affiant saith not.

Erick Funk

Subscribed and sworn

To before me this <u>f</u> Day of July, 2011.

Notary Public

COREY J. AYLING
NOTARY PUBLIC-MINNESOTA
My Commission Expires Jan. 31, 2015